

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OKLAHOMA

STATE OF OKLAHOMA

PLAINTIFF

VERSUS

CASE NO. 4:05-CV-00329 GKF(SAJ)

TYSON FOODS, INC., ET AL.

DEFENDANTS

VIDEOTAPED 30(B)(6) DEPOSITION OF CAL-MAINE FOODS
(STEVE STORM)

APPEARANCES NOTED HEREIN

TAKEN AT INSTANCE OF: PLAINTIFF

DATE: OCTOBER 8, 2007

PLACE: YOUNG WILLIAMS, P.A.

210 E. CAPITOL STREET, STE 2000

JACKSON, MISSISSIPPI

TIME: 1:06 P.M.

REPORTED BY: TODD J. DAVIS

CSR #1406, RPR

WOOTTON REPORTING

338 Indian Gate Circle

Ridgeland, Mississippi 39157

601-898-9990

Wootton Reporting
601-898-9990

EXHIBIT

7

1 A. Yes.

2 Q. Okay.

3 A. Specifically, the eggs are produced in
4 owned facilities. The pullets are grown in leased
5 facilities.

6 Q. Okay. Are all of the eggs being
7 produced for or by Benton County, LLC, being
8 produced on facilities that are in the Illinois
9 River Watershed?

10 A. Yes.

11 Q. Are the other leased facilities which
12 are -- did you say breeder facilities?

13 A. No, sir. Pullet facilities.

14 Q. Pullet facilities?

15 Are those in the Illinois River
16 Watershed?

17 A. About 50/50. Some yes, some no.

18 Q. Okay. And do you have any other types
19 of facilities -- hatcheries or --

20 A. No.

21 Q. No -- no breeding flocks?

22 A. No.

23 Q. In the -- as a result of that
24 acquisition?

25 A. Oh, no.

1 Q. Where does the company get its chicks?

2 A. From Cal-Maine.

3 Q. Okay. You've got a hatchery somewhere
4 else?

5 A. Yes.

6 Q. Can you give me the number of laying
7 hens that Benton County, LLC, has currently?

8 A. It's approximately 800,000.

9 Q. I was thinking I saw, maybe in an annual
10 report or something, the company indicated it had
11 acquired about a million.

12 Would that include more than just
13 the laying hens then or...

14 A. You know, I don't -- I didn't see that,
15 but the -- the -- the facility was originally a
16 million bird facility. But due to the rules and
17 regulations of animal welfare nowadays, there's
18 less birds per house.

19 Q. You have to have larger cages or
20 something?

21 A. So we have -- birds have more space.
22 And in a -- in a given house, there's not as many
23 chickens in there as there used to be.

24 Q. All right. You're referring to this as
25 if there's one facility; am I right? Is it one

1 large facility --

2 A. Yes.

3 Q. -- that you've acquired?

4 A. That's correct.

5 Q. Okay. Can you --

6 A. For the layers.

7 Q. Pardon?

8 A. For the layers.

9 Q. Right. So all -- maybe I'm confused
10 here.

11 All 800 or so layers are in one
12 location?

13 A. That is correct.

14 Q. And where is that exactly?

15 A. Near Siloam Springs, just -- I can't
16 think of the road. It's --

17 Q. Near Highway 412?

18 A. It's north of 412 about two miles.
19 About -- about a mile and a half east of Arkansas
20 59.

21 Q. Yeah. Okay. So how many houses are
22 there at that facility?

23 A. Eight.

24 Q. So maybe a hundred thousand layers in
25 each house?

1 A. Maybe. Some yes, some no.

2 Q. Okay. Let me ask you to look at another
3 exhibit. We've numbered it 26.

4 (Exhibit No. 26 marked for
5 identification.)

6 BY MR. RIGGS:

7 Q. It's a large exhibit. It's the
8 company's annual report for 2007.

9 Do you agree that's what it is?

10 A. It appears so, yes.

11 Q. Oh, I'm sorry. Counsel informed me it's
12 more than just 2007. That's the one on top, but
13 it has some prior years' reports as well.

14 On Page 7 of the 2007 annual
15 report, would you look down where it says "shell
16 eggs" on that page?

17 It says, "Our operations are fully
18 integrated." And, of course, that's a comment
19 that is referenced to all of your operations
20 across the country, not just in a particular
21 location, correct?

22 A. Yes.

23 Q. What does that -- what does the term
24 "fully integrated" mean?

25 A. I think to Cal-Maine, what it means is